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A new era with a changing world—reordering priorities.

THE INTELLIGENCE CHALLENGE IN THE 1980s¹

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ACCELERATION AND CHANGE

American intelligence in the next decade will be operating in a world quite different from the one it faced 10 years ago. International trends do not normally change rapidly, but every now and then a traumatic event shakes up familiar patterns as does a kaleidoscope and makes us think of old, evolving problems in new ways. The crisis in Iran and the Soviet invasion of Afghanistan have proved to be such events. These two events dramatized both the growing Soviet threat to US positions worldwide and the declining ability of the United States to have its own way in international relations. Both of these trends have been apparent since at least the late 1950s, but suddenly they seem much more vivid and threatening.

The Afghan affair has brought a major change to US-Soviet relations. The change is certainly one in US perceptions of Soviet policy; it may also prove to be one in Soviet policy itself—it is difficult to tell for sure. The invasion of Afghanistan marked the crossing of a threshold, yet it is consistent with and part of overall Soviet policy since World War II, or even since the czars consolidated their rule in Central Asia in the 19th century. But even if the change that has taken place proves to be more in our perceptions than in actual Soviet policies, it is a fundamental change that has already returned US-Soviet relations almost to Cold War levels. US-Soviet competition will still retain elements of shared interest—there are numerous reasons to maintain some sort of dialogue—but I believe that the United States will face the Soviet Union with more realism and pessimism for a long time to come.

SIZING THE SOVIET PROBLEM

The Soviet Union that we face will itself be undergoing substantial change in the 1980s. There are three main elements that US intelligence and policy must be concerned with. The first is the continuing growth of Soviet military programs, the steady drive to catch up with and surpass the United States in technological fields, the proliferation of weapons development programs, the mass production of weapons systems, both strategic and general purpose, and the continued subordination of all other interests to the military requirements of the state. In the strategic field, the early 1980s are particularly important because during that time the Soviet position will be at its strongest relative to the United States, before such US programs as Trident, MX, and cruise missiles become operational. We do not expect the Soviets, who understand the realities of nuclear warfare, to take advantage of this "window" by seeking a nuclear

¹ This article was prepared for another purpose, but the editors believed it would be of particular interest to readers of *Studies*.

victory in which everyone would lose. We expect that the Soviet leaders will see themselves able to take advantage of opportunities that are presented to them where the threat to US interests is apparently marginal. They may see themselves as free to undertake more Afghanistans and Ethiopias. In their view, when vital US interests are not directly challenged, Soviet strategic power effectively neutralizes that of the United States and leaves the Soviets free to exploit their overwhelming strength in conventional forces. Moreover, Afghanistan, Iran, and a number of other soft spots in Asia are as hard to reach from US bases as they are easy from Soviet ones.

A second important consideration is the state of the Soviet economy. We are not sure if the present generation of Soviet leaders sees the USSR's dilemmas as we do. In our view, however, they are facing problems of an extremely serious nature. The rate of growth of their economy has been slowing year after year. Their agriculture is inefficient and cannot adequately feed the population—a disgrace to a modern state. In the 1980s new constraints will be added, particularly in energy and manpower. We have projected a leveling off and probable sharp reduction in Soviet petroleum production. So far this is proving to be the case. The Soviets are not going to have enough oil to maintain their economy at its present level and continue exports to Eastern and Western Europe; sales to the latter are a major earner of hard currency. Moreover, their economy does not have the excessive consumption that ours has; they have little to conserve. Thus, they are faced with some nasty choices: the loss of hard currency earnings with which to buy grain and technology, economic strains leading potentially to serious political disorder in Eastern Europe, reduced economic performance at home, or the need to import goods on the world market without the necessary hard currency to pay for them. We worry whether under these circumstances Middle Eastern oil might become sufficiently tempting to impel them to some extreme course of action, but I should stress that we have no evidence they have such designs.

Manpower will also be a serious problem. The low birthrate of the 1960s—in part the price of Soviet urban life—means much smaller numbers of young people entering the work force and the armed forces. Moreover, the decline in young people reaching working age is most pronounced in European Russia and in the educated urban communities. In coming years, a much greater percentage of the increment to the work force will come from non-Russians, particularly the less advanced Muslim peoples of Central Asia. So the problem is not just one of worker quantity, but also of quality. And in the 1980s the long-foreseen danger that the Russians will eventually lose their absolute majority in the Soviet population will begin to emerge as a more immediate concern for the leadership. This, coupled with upheavals in the larger Islamic world, will pose new dangers with which the Soviet leadership is ill equipped to deal except by brute force.

The third area demanding increased US attention concerns Soviet political questions. The leadership itself will be entering a period of change. The small group of men around Brezhnev are now almost all in their seventies. They have shown little sign of self-renewal by bringing in younger blood. A septuagenarian who departs the inner circle tends to be replaced by another septuagenarian. This leadership has shown little imagination; there have been few innovative attacks on, or apparently, even recognition of many of the serious problems that the Soviet state faces. Rather, Soviet leaders have been content to rest their success principally on the one thing that the Soviet state seems to do well—maintain continuity in an aggressive foreign policy based on steady development of military power. But during the 1980s rigidity in domestic policies will have to give way. The maneuvering to replace Brezhnev has begun, but we do not have good information on the next generation of leaders. We can

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anticipate that they will be as competent as the present group and as devoted to the furthering of Soviet national interests. They may be more flexible if only because they are younger, but whether they can put aside their ideological and bureaucratic blinders to cope more effectively with internal problems is an unanswered question.

This Soviet Union will be full of uncertainty for us. Because of their rigid, conservative, and unchanging leadership, we have been reasonably confident in our judgments of how Moscow will behave in most circumstances. We have not been surprised by much that this leadership has done, including the invasion of Afghanistan. In the 1980s, the United States must reckon that it is facing much greater uncertainties in dealing with Moscow. US intelligence officers will have to be less conservative in their analysis; we must be on the alert for new Soviet initiatives and expect on occasion to be surprised. This will be a very dangerous period. To see where the dangers could lie, one need only contemplate the possibility of a new and aggressive Soviet leadership desperately in need of petroleum, capable of misreading US intentions and the outside world, but controlling an extraordinarily powerful military instrument.

FEWER RESOURCES

But US-Soviet competition will be only one of the driving forces for change and controversy in the world of the 1980s. That world will also be characterized by an increasing scarcity of resources and by rising expectations among peoples everywhere that simply cannot be met. Those people will become increasingly susceptible to demagogic solutions and endemic disorder. Many of the foundations for our positions abroad that we have accepted for decades as firm are already shaking, and this trend will almost certainly continue. Here, too, intelligence must measure the extent to which those foundations are being weakened and seek the reasons. It must be alert to new developments that can provide new bases for future US policy.

OLD ALLIES—NEW COMPETITORS

One place where our assumptions are being especially challenged is in Western Europe. This is perhaps inevitable as the nations of Europe grow stronger economically, and as they gradually coalesce into a political as well as an economic community. We will have to work much harder in the 1980s to hold the Western alliance together. We in intelligence must be increasingly alert to shifts in public opinion. The European peoples, and to an increasing extent their governments, see less and less common interest with the United States. They see the Soviet military threat as directed primarily at the United States and not at them, and they do not see why their present prosperity should be sacrificed to US-Soviet quarrels over distant places. In short, the Europeans are rich and complacent. They have undergone two shattering wars in this century, and they do not want to think about, much less risk, a third. The Europe of 1914 was economically thriving and politically stable, but suffused with a dangerous nationalism. The Europe of 1939 was economically depressed, politically unstable, and complacent in the face of a great totalitarian threat. The Europe of the 1980s is like that of 1914, except that the nationalism of 1914 has been replaced by the complacency of 1939 and the inhibiting terror of possible nuclear war.

The Europeans are also more vulnerable to instability in the Third World than is the United States. As the world has become more interdependent, European requirements for imported energy and raw materials have grown enormously. While the United States also depends on Middle Eastern oil and African metals, it is far better able to cope with supply disruptions. Thus, European foreign economic policies have diverged from that of the United States. The Europeans place greater emphasis on

getting along with their supplier nations without overly great concern for principle. They are far more willing than we to sacrifice good relations with Israel to friendship with the Arabs, even the radical Arabs, on whom they depend. Moreover, they are extremely reluctant to allow what they see as US-Soviet power rivalry to disrupt their cooperative arrangements with the less developed countries. Finally, as exporters of arms and machinery they are rivals to the United States, not partners.

Under these circumstances it is not surprising that our allies have been somewhat less than enthusiastic in supporting an active US policy of potential high risk in Southwest Asia. What is surprising is that NATO retains the cohesion and vigor that it does. European governments recognize that the Soviet forces facing them are very strong and most of them have been willing to follow our lead, however grudgingly and reluctantly, in the modernization of conventional and theater nuclear forces.

But even this cooperation is fragile. European confidence in American leadership and steadfastness has been badly shaken by the Vietnam war and its lingering aftereffects in American life. Even the European leaders who are most supportive and understanding wish to keep a certain distance from the United States. They are no longer taking for granted our commitment to the defense of Europe and to the leadership of the free World. They are uncertain of our intent and often upset by our conduct of foreign policy.

The strains in the Atlantic alliance provide new opportunities for the Soviets. They have constructed a network of common interests with the Europeans. Trade has grown enormously; the large contracts for building and equipping advanced industrial installations have become an important component of the European economies. The Soviet drive to exploit US-European differences may not be subtle, but it strikes a responsive chord among European populations that would prefer to believe that the threat from the East is a mirage.

EAST ASIA—THE PACIFIC

In East Asia, too, our relations are changing. Our friendship with China continues to grow—but there remain significant limits to the closeness and mutual benefit of that friendship. Our alliance with Japan is affected by strains similar to those in Europe, but it is proving more resistant to them. The Japanese people and government are perhaps more realistic than the Europeans, and they have narrower options. They have no real choice except to rely on the United States. Nevertheless, Japan is slowly moving toward becoming again a major power in the Pacific. Japanese economic policy has been very aggressive since the early 1960s. Japanese diplomacy has become more active, but still is restrained and concerns itself largely with the protection of Japanese economic interests. The Japanese have been extremely reluctant to develop military forces in any way commensurate with their economic and political interests. But very slowly they are beginning to recognize that they must become more of a partner to the United States in the military field.

When they do, it is obvious that they will have more say in how US-Japanese relationship is conducted, but the US-Japanese alliance could be sounder in the 1980s than the US-European, despite significant friction in US-Japanese economic relations. Moreover, China's opening to the world is providing the Japanese new opportunities. The Japanese in the 1930s dreamed of combining China's manpower and resources with Japan's skills, energy, and organizational genius. That dream is again alive in a less dangerous form. It could offer the United States in the 1980s a strong anchor in East Asia, similar in some respects to NATO and the EC in Western Europe. We may find the focus of American policy, which switched from the Pacific to the Atlantic after Vietnam, switching back in the 1980s to the Pacific.

NEW ARENAS

Such a development would not be without risk. The Soviets have seen China as an actual threat and Japan, backed by the United States, as a potential one. They will see the combination as very dangerous. Soviet forces in the Far East are strong, and they will be strengthened and modernized. A more aggressive Soviet leadership may come to believe that it can risk weakening China before this new constellation becomes too strong. The Soviet-Chinese proxy struggle in Southeast Asia could provide either the pretext for or the means of such an initiative. And Korea—North and South—will remain a tinder box.

In the upper tier of the Third World—those countries, like Saudi Arabia, to which natural resources have brought economic strength far out of proportion to their ability to make good use of it, and those countries, like Brazil, that are on the threshold of becoming industrial powers in their own right—we expect the 1980s to be like the 1970s, but more so. These countries will be even more subject to forces conducive to political instability. In some of them Islamic fundamentalism will become a greater threat. In most of them the effects of modernization on societies ill prepared for it will produce great social tensions. Those economies that depend on imports of Western manufactured goods will be directed by the inflation and economic instability of the West. Most of them are unable to feed themselves or to control their population growth. The governments of virtually all these countries will be susceptible to violent overthrow. Their peoples, led to expect growing prosperity that underdeveloped institutions cannot deliver, will be ripe for radical political solutions. Irresponsible political elements will increasingly complicate these situations.

These countries will remain a major ground on which the US-Soviet struggle will be fought. But despite the threats of political and economic upheaval, many of these countries will grow stronger and more independent of their respective patrons. Intelligence must look at these countries as independent powers in their own right and not as client states. This means that we must seek a deeper understanding of these economies and societies—what are the forces that make them act the way they do, tribal, ethnic, religious, geographic, economic, psychological?

The rest of the Third World nations will be subject to the same forces as their stronger brothers, but will be far less able to act independently. They will be too weak to stay out of the world political struggle and too ambitious to refrain from doing so. But in the 1980s two new factors will increasingly influence that struggle. In the first place, the struggle may not be a two-sided one, the United States and its allies vs. the Soviet Union and its clients. Our allies, as noted above, are increasingly our competitors. But beyond that, the upper tier nations of the Third World will themselves become competitors and will seek increasingly to extend their influence among their weaker neighbors. In East Africa today, Iraq is competing effectively with both the Soviet Union and the West.

In the past, competition has been for political influence; we saw ourselves as the "free world" and the opposition as "world Communism." In the 1980s the world is characterized by many shades of gray. Many of the countries that we think of as sympathetic to the United States are by no means free, and many of those sympathetic to the USSR are by no means Communist. Some of the USSR's chief enemies—or problems—are Communist areas. The struggle for influence is a political one, but in the 1980s it will increasingly be conducted for economic rather than ideological ends. The less developed countries contain almost the last repositories of undeveloped mineral resources. As these resources grow scarcer and harder to get elsewhere, these countries will become more and more the target for diplomacy, subversion, and, ultimately, military conquest. We may be approaching a new kind of colonialism.

Within this broader picture let me single out two areas to which intelligence must give greater attention in the next decade. The first is the complex of countries surrounding the northwest corner of the Indian Ocean. Our interests there are obvious, and our level of effort in that part of the world is high. But our problems there are not short-term. The dependence of the United States, Western Europe, and Japan on Persian Gulf oil probably cannot be substantially reduced for a number of years, if at all. The United States is seeking ways to project greater military power into that part of the world. The Soviets are indicating a growing interest, and their capability to project power at present far surpasses our own.

Moreover, every country in the area is a political cauldron. We have seen the forces that were unleashed when the authoritarian government in Iran weakened. Many of the same forces are latent throughout the region. We need a much greater understanding of these forces and of the societies in which they operate.

CLOSE TO HOME

A second area of special concern is that of our neighbors—and especially the industrial powers of the Western Hemisphere. These include in the first instance Canada and Mexico, but probably also Brazil, Argentina, and Venezuela. Each of these countries has to some degree asserted its independence of the United States. None of them can be counted on to line up with us except in extraordinary circumstances. All have developed strong economic ties outside the Hemisphere. But as the world outside this Hemisphere becomes more chaotic, as I think it will, there may be a countervailing thrust toward interdependence within the Hemisphere, toward an effort to insulate North and South America from destructive social and economic forces elsewhere.

In the turbulent world here portrayed, we will need a friendly and supportive Canada and Mexico. But Canada is itself in the midst of a slow-motion constitutional crisis that may yet fragment the country and have grave but unpredictable consequences for our relations with Canada or with its component parts. Mexico and the major countries of South America are themselves subject to the same strains as semi-developed nations elsewhere. Mexican society has remained basically stable, but the tensions underlying the surface stability increase year by year.

There are also very serious threats within the Hemisphere. Social tensions, uncontrolled population growth, and extreme poverty are exploited by Cuban subversion. The Cubans are skillful at and have great resources for this kind of warfare. Moreover, it is difficult for the United States to combat the Cubans because the ground they choose is ground on which it is very difficult for us to stand. A campaign of subversion and insurrection by landless peasants and an oppressed urban middle class against a brutal and corrupt oligarchy, as in Nicaragua, is not one that the United States is comfortable opposing, even when the ultimate outcome is likely to be a government under strong Cuban influence, one that we expect ultimately will follow the Cuban path.

We are seeing the same pattern in El Salvador. A year or two hence Guatemala and Honduras will be similarly threatened. By the end of the decade we may find that the disease has spread into Mexico, as it is now spreading in the Caribbean islands. Our problem in this part of the world is not limited to understanding what is going on, although we need more and better intelligence collection. Our problem very bluntly is to find ways to guide what is going on, and to do what we need to find ways to advance US strategic interests without eroding US moral principles. We have not yet found the answer.

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A PRESS FOR QUALITY

Turning from substance to management, this look at the world around us means that in the 1980s we in intelligence will face even greater challenges than those of the 1970s. Uncertainties will abound, and surprises are likely. In order to deal effectively with these complexities and ambiguities, we must improve the quality of our management in several important ways.

The first of these is in the achievement of *synthesis*. As our analytic structure gets bigger, even as it gets stronger, it also gets more unwieldy. Specializations multiply, and each analyst of our many hundreds is responsible for a diminishing slice of the total effort. But the problems we deal with are multidimensional and reach across geographic and disciplinary boundaries. Senior policy officers want concise, relevant intelligence support that presents a genuine synthesis of all the factors bearing on the problems. We tend, however, to produce such papers by stapling together contributions from each of the specialized analysts who has a fragment of the action. This simply is not good enough. We have to find a way—and this is a serious management problem—to combine the outstanding expertise that we have developed with the kind of mind that is able to grasp a problem as a whole, to draw on the knowledge of the specialists, and to present an assessment in a forum that demands and deserves attention.

A second area where we need to do better is *daring*. Intelligence analysts are by nature conservative, the more specialized the more so. Our bureaucratic culture does not encourage speculation or unconventional thinking. Interagency coordination, no matter how conscientiously led, tends to damp down alternative hypothesis in favor of safe, centrist positions. Analysts who argue strongly for unpopular views become known as "controversial" and some get poor fitness reports. In the next decade we will be operating in a world in which many of the established truths that have governed our analysis are no longer valid. We can expect many of our judgments to be wrong. We deal with decisions made by human beings, and human beings are notoriously perverse in doing what they believe they should do rather than what our logic says they should do. But while we will often be wrong, we need not ever be stupid. We must encourage our analysts to use their imaginations, to think the unthinkable, to put forward the country view, to dare to be wrong, to be comfortable in a minority. We must ensure that they are rewarded and not penalized for taking chances. And we must manage analysis so that it systematically generates and presents to the reader the soundly based but less probable hypothesis as well as the consensus.

INTELLIGENCE AND POLICY

Finally, we must find a better way, and we cannot do this by ourselves, to *use intelligence in the policy process*. In national security policymaking 20 years ago, it was customary to prepare a national intelligence assessment preparatory to each major decision at the NSC level. This independent assessment, identified as such, was attached to the policy recommendations that went forward. Over the years we have moved to a system where intelligence comes into play at that level more by osmosis. Intelligence has its impact principally on the drafting officer for the policy paper. It ends up between the lines, and the decisionmaker seldom gets an independent view of the situation he faces and its implications. Admittedly the policy process in a world where the United States is more often the reactor than the initiator tends to move more rapidly than it used to. But rapid ad hoc decisionmaking has sacrificed the intelligence contribution. Policy officers do not call for an intelligence assessment, partly because they are rushed partly because they are satisfied with their own private assessments, partly because they do not expect a useful, relevant product, and partly

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because we have become so musclebound in the production of national intelligence that we cannot deliver it in time to be useful. Timely intelligence should always be available for the decisionmaker, so he can know before he acts on the judgments of his intelligence officers.

We have gotten ourselves in a chicken-and-egg situation. It is incumbent on us to produce intelligence that is relevant, imaginative, and timely. It is incumbent on the policy officers to call for and use our product. Neither can happen without the other. I am confident that both will improve. *The above article is Unclassified.*